(c) Lack of indigenous production of well engineered lasts, components and soles for the footwear industry including upgradation of the sole leather from buffalo hides.

(d) Lack of a network of modern laboratories and testing units for quality control.

(e) Absence of a brand image for India-made footwear in the world market.

(f) Lack of attractive and durable packaging.

(g) Lack of a meaningful nexus between development and research.

It is of the view that a determined initiative on the part of Government is essential to create a catalytic model which can be replicated. The Committee recommends for the consideration of Government a concrete operational model, in which a centralised autonomous agency, working under the umbrella of a reputed institute of technical education such as an Indian Institute of Technology, will perform some direct functions apart from assisting in the development of a supporting infrastructural base. A project profile for such a Footwear Design and Development Institute is appended as Appendix VII. The project will involve an investment of Rs. 9.5 crores and an employment of 2900. It will be completed in four phases.

1.4.2 In the context of the recommendation regarding FDDI, it will be necessary to replicate this operational strategy in different States where nodal agencies be entrusted with the task of co-ordinating the development of the six supporting functions enumerated above leaving the direct functions to be performed by FDDI alone.

1.4.3 Government may consider enlargement of the scope of the proposed Institute to include other leather goods, such as garments, handbags, gloves, etc.

1.4.4 Liberal assistance from MDA should be made available, in foreign exchange, for individual brand promotion abroad.

1.4.5 The list of raw materials required for production of intermediates for use in the export production of footwear should be included in Annexure VI to Appendix 19 of the Import Policy. This list is given at Annexure VI.

1.5 Institutional Coordination.

The Committee recognises the existence of a number of agencies which have been set up by Government such as STC, BLC, State Leather Development Corporations, CLRI, CLE, CFTCs KVIC, etc. to service varying interests. Within the Government itself, there are several Ministries which deal with different aspects of the industry. It is recommended that:

(a) Government should examine the performance of these organisations with respect to the rationale of their creation and take remedial action to avoid duplication and ensure coordination. As a first step, it is recommended that the Department of Industrial Development should examine the extent to which the State Leather Development Corporations and BLC have served their objectives.

(b) The role of a harmonising agency could be played by the creation of a statutory All India Leather Board on the analogy of other commodity Boards by integrating one or more of the existing organisations. Such a Board could also coordinate the activities of the institutions whose continuance may be considered necessary.

Unit Trust of India

2429. SHRIMATI KRISHNA KAUL: Will the Minister of FINANCE be pleased to state:

(a) whether the Unit Trust of India has any proposal under its consideration regarding direct financing for housing and leasing; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The Unit Trust of India (Amendment) Bill, 1985, *inter alia,* sees to enable the Unit Trust of India to transact the business of direct financing of housing and leasing.

Decline in Jute Goods' production

2430. SHRIMATI KRISHNA KAUL: Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether the output of jute goods has declined during the current year; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH): (a) and (b) The output of jute goods during the financial year 1984-85 at 13.68 lakh tonnes was highest during the last 4 years. The production has, however, come down to some extent during the last few months as a result of closure of a number of jute mills. Some of these mills have since reopened.

Tripoli Fair

2431. *SHRIMATI KRISHNA KAUL:* Will the Minister of COMMERCE be pleased to state:

(a) whether India participated in Tripoli fair held in April, 1985; and

(b) if so, the details of the business generated by the Indian companies in the fair?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) Yes, Sir. The Fair was held from March 5—25, 1985.

(b) The business generated at the fair was Rs. 19.20 crores.

News-item captioned "12 held in Rs. 1,000 crores racket"

2432. SHRIMATI KRISHNA KAUL: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item which appeared in the 'Hindustan Times' on the 7th August, 1985 captioned "12 held in Rs. 1,000 crores racket"; and

(b) if so, what action Government propose to take to check such activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) Yes, Sir.

(b) The Foreign Exchange Regulation Act, 1973 contains adequate provisions to deal with such foreign exchange racketeers. Further, such a person can also be detained under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, with a view to preventing him from acting in any manner prejudicial to the conservation or augmentation of foreign exchange. The Enforcement Directorate (Foreign Exchange Regulation Act) and the other sister agencies, e.g. the Directorate of Revenue Intelligence, etc., remain vigilant in this regard. As and when any specific information is available, appropriate action, as per law, is taken.

The Government have also since decided to set up a Central Economic Intelligence Bureau with a view, *inter-alia* to improving the coordination between various agencies dealing with economic offences, e.g. Enforcement Directorate, Directorate of Revenue Intelligence, Directorate of Inspection (Income-tax) etc. The drive against such unauthorised transactions is a continuous process and the matter is constantly kept under review for taking appropriate measures with a view to curbing the same.